

RECEIVED
MAY 10 3 54 PM '71
EXHIBIT A

TO REGISTRATION STATEMENT

Under the Foreign Agents Registration Act of 1938, as amended

Furnish this exhibit for EACH foreign principal listed in an initial statement
and for EACH additional foreign principal acquired subsequently.

1. Name and address of registrant Ruder & Finn Incorporated 110 East 59th Street New York, New York, 10022		2. Registration No. 1481
3. Name of foreign principal Government of Israel	4. Principal address of foreign principal 1621 22nd St. N.W. Washington, D. C., 20008	
5. Indicate whether your foreign principal is one of the following type:		

☒ Foreign government

☐ Foreign political party

☐ Foreign or ☐ domestic organization: If either, check one of the following:

☐ Partnership

☐ Committee

☐ Corporation

☐ Voluntary group

☐ Association

☐ Other (specify) _____

☐ Individual - State his nationality _____

6. If the foreign principal is a foreign government, state:

a) Branch or agency represented by the registrant.
U. S. Office of Israeli Government

b) Name and title of official with whom registrant deals.

Benjamin Navon, Minister of Information

7. If the foreign principal is a foreign political party, state:

a) Principal address
NOT APPLICABLE

b) Name and title of official with whom the registrant deals.

c) Principal aim

8. If the foreign principal is not a foreign government or a foreign political party,

a) State the nature of the business or activity of this foreign principal

NOT APPLICABLE

b) Is this foreign principal

Owned by a foreign government, foreign political party, or other foreign principal Yes ☐ No ☐

Directed by a foreign government, foreign political party, or other foreign principal, . . . Yes ☐ No ☐

Controlled by a foreign government, foreign political party, or other foreign principal . . Yes ☐ No ☐

Financed by a foreign government, foreign political party, or other foreign principal . . . Yes ☐ No ☐

Subsidized in whole by a foreign government, foreign political party, or other foreign principal Yes ☐ No ☐

Subsidized in part by a foreign government, foreign political party, or other foreign principal Yes ☐ No ☐

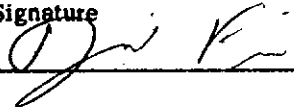
NOT APPLICABLE

9. Explain fully all items answered "Yes" in Item 8(b). (If additional space is needed, a full insert page may be used.)

NOT APPLICABLE

10. If the foreign principal is an organization and is not owned or controlled by a foreign government, foreign political party or other foreign principal, state who owns and controls it.

NOT APPLICABLE

Date of Exhibit A 5/5/77	Name and Title David Finn, Chr. of the Bd	Signature 
-----------------------------	--	--

UNITED STATES DEPARTMENT OF JUSTICE
Washington, D.C. 20530

EXHIBIT B

TO REGISTRATION STATEMENT
Under the Foreign Agents Registration Act
of 1938, as amended

INSTRUCTIONS: A registrant must furnish as an Exhibit B copies of each written agreement and the terms and conditions of each oral agreement with his foreign principal, including all modifications of such agreements; or, where no contract exists, a full statement of all the circumstances, by reason of which the registrant is acting as an agent of a foreign principal. This form shall be filed in duplicate for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

Name of Registrant	Name of Foreign Principal
Ruder & Finn Incorporated #1481	Government of Israel

Check Appropriate Boxes:

- ☐ The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach two copies of the contract to this exhibit.
- ☐ There is no formal written contract between the registrant and foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach two copies of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
- ☒ The agreement or understanding between the registrant and foreign principal is the result of neither a formal written contract nor an exchange of correspondence between the parties. If this box is checked, give a complete description below of the terms and conditions of the oral agreement or understanding, its duration, the fees and the expenses, if any, to be received.

Ruder & Finn Incorporated and its graphics department have been contracted (on a spot job basis) to prepare the text and design for a poster for the Government of Israel. The title of the poster is Borders For Peace. The fee for this job (on a time basis) is estimated at \$2,000-\$2,500.

- Describe fully the nature and method of performance of the above indicated agreement or understanding.

Ruder & Finn will prepare a poster for the Government of Israel, which will be distributed to the public. Draft of proposed copy is attached.

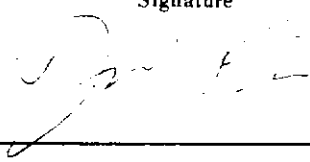
5. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

Please see question #4

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?^{1/} Yes ☒ No ☐

If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

Attached is a draft of the text for the poster, which is subject to further editing. Final copy will be submitted to the Department of Justice as part of the Six Months Report due September 27, 1977.

Date of Exhibit B	Name and Title	Signature
5/5/77	David Finn Chr. of the Board	

^{1/} Political activity as defined in Section 1(o) of the Act means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

FOLDER TITLE

ISRAEL: BORDERS FOR PEACE

SUBTITLE

Five of the Border Points Which Are
Critical for Peace in the Middle East

PANEL TITLES

THE NEED FOR DEFENSIBLE GROUND BORDERS

(1949-)
The 1967 armistice lines are an open invitation to attack

1. THE GOLAN HEIGHTS:

PROTECTING ISRAEL'S VILLAGES AND WATER

2. THE 'WEST BANK':

PROTECTING ISRAEL FROM BEING CUT IN ^{Two} ~~ONE~~

3. THE GAZA STRIP:

PROTECTING ISRAEL FROM INVASION -- FIVE MINUTES'
FLIGHT TIME TO TEL AVIV

4. THE SINAI CORNER:

PROTECTING ISRAEL'S SOUTHERN PORT

5. SHARM EL-SHEIKH:

PROTECTING ISRAEL'S LIFELINE TO THE WORLD

April 26, 1977

ISRAEL: BORDERS FOR PEACE

Five of the Border Points Which Are Critical
for Peace in the Middle East

Introductory Panel:

THE NEED FOR DEFENSIBLE GROUND BORDERS

Israel is a country without borders. Since the War of Independence in 1948, Israel has been bounded by fragile armistice lines and cease-fire lines which the Arabs have neither recognized nor honored. The Arab ^{Sixes} ~~powers~~ have continued to attack Israel on all sides by conducting terrorist raids, setting up crippling blockades and waging full-scale military offensives. If there is to be peace in the Middle East, Israel's ^{be} must have secure borders ^{so as to} ~~which will~~ deter the Arabs from attack by giving Israel the capability to defend itself.

THE SIX-DAY WAR OF 1967. Between 1948 and 1967 Arab efforts to destroy Israel increased in severity as the various Arab nations banded together for this purpose. In 1956, a major Arab offensive against Israel was forestalled when the Israel Defense Forces struck at Egyptian military bases in the Gaza Strip and the Sinai peninsula. The territory captured by Israel in that campaign was later returned to Egypt - for a set of "hopes and expectations," expressed by the US Government, and echoed by 15 other maritime powers, that were to be ruthlessly trampled under foot in the years to come. In 1965, the Arab States voted to collect \$43 million a year to arm Syria, Jordan and Lebanon for the express purpose of attacking Israel. In 1966 and early 1967, terrorist attacks by Syrians on the Golan Heights and Egyptians in the Gaza Strip intensified, taking a growing toll of Israeli lives and property. In mid-May 1967, Egypt began moving 100,000 troops and nearly 1,000 tanks through the Sinai desert towards the Egyptian-Israeli armistice line.

A few days later, President Nasser called upon the UN to remove its troops from the Sinai Peninsula. The UN pulled out. With the major powers and the world's maritime nations looking on, Egypt re-imposed its blockade on the Straits of Tiran and Nasser declared that "taking this step makes it imperative that we be ready to embark on total war with Israel." Similar statements, accompanied by troop deployments, were issued in other Arab capitals. Israel found itself facing a crucial choice: to act in its own self-defense - or to await the combined Arab assault on a demarcation line that was not designed to withstand such an assault. Israel chose to act. When the war was over, Israel retained jurisdiction, under the terms of the cease-fire, over the Gaza Strip and the entire Sinai Peninsula, the Golan Heights and the Judea-Samaria region - known also as the West Bank. Israel now had greater strategic depth. But it still did not have borders. And Arab hostility continued unabated.

THE YOM KIPPUR WAR OF 1973. The Arab States' first major political act after the war of 1967 was their decision, at the Khartoum Summit Conference, to have "no peace, no recognition and no negotiations" with Israel. The "Holy War" against "the Zionist enclave" was to continue. Between 1970 and 1973, the Arabs bought \$6 billion worth of arms from the Soviets. By 1973, they had 5,000 tanks, 1,100 planes, and a standing army of almost one million men - a force far surpassing that of Nazi General Rommel when he thrust across North Africa in World War II. Israel was outnumbered by about 3 to 1. On October 6, 1973, the Jewish Day of Atonement, Egypt launched a massive surprise attack across the Suez Canal, while Syria simultaneously attacked Israel in the North. It took Israel 48 hours to mobilize its troops, while the Arabs advanced about 10 miles in the Golan Heights and 10 miles in the Sinai Peninsula. But thanks to the existence of these buffer areas, Israel was able to fall back,

regroup its forces and eventually launch a successful counter-attack. On October 23, 1973, a cease-fire was called and, under the disengagement agreements concluded later, UN troops were placed in western Sinai to oversee the separation of Israeli and Egyptian forces there and, on the Golan Heights, to act as a buffer between Israelis and Syrians.

DEFENSIBLE GROUND BORDERS IN AN AGE OF MISSILERY. It is argued at times that the whole issue of land borders is of little importance in an age of aerial warfare, sophisticated missiles and nuclear warheads. The experience of the 1973 War proves the very opposite. Despite the immense destructive power of modern weapons, no war in recent history has been decided by missiles, and no country has been destroyed by bombs. More bombs were dropped on North Vietnam than on Germany in World War II, but bombs did not determine the outcome in World War II or in Vietnam. And bombs will not determine the destiny of Israel - so long as Israel has the capacity to anticipate enemy attacks and strike back effectively.

If the 1973 War had taken place within the 1957 cease-fire lines, much of Israel's heavily populated area would have been overrun and demolished within a matter of hours. The fact that the fighting took place ^{at some distance} ~~on territory far removed~~ from Israel's main centers of population gave Israel room to retreat - and time to mobilize its troops; and in the ensuing battle, its civilians were not under direct enemy fire. While Israel is ^{not by any means} ~~willing to~~ yield ^{Compromises} ~~territory~~, it cannot put itself in a geographical position where ^{the mere threat of} a surprise first strike by the Arabs ^{could} ~~paralyze its~~ economy, ~~cut it in two, and destroy its ability to mobilize.~~ Only ^{if Israel will} ~~it must~~ preserve a reasonable and credible defensive capacity, so long as Israel has ^{will it be able to} ~~this defense capability~~, ~~it will~~ deter the Arabs from launching an offensive in which the Arab countries stand to lose as much as the Israelis.

However, a surprise attack across inadequate borders could jeopardize Israel's very existence by cutting it in two, under circumstances that would preclude an effective mobilization.

Israel wants peace. It does not want to live with the constant threat of attack. Nor can it permit a situation in which, by the mere existence of that threat, its Arab neighbors can wear out Israel economically by forcing it to maintain a constant state of semi-mobilization and to keep its economy virtually on a war-footing. Israel must have the kind of borders that will minimize the chance of invasion and make the prospect of war as forbidding to the Arabs as it is to Israel.

The pre-1967 demarcation lines were not that kind of border.

In the panels below it will be shown how each of the five geographical areas listed contributed to instability and chaos, and to a succession of crises and wars - each more devastating than its predecessor.

Words
1000 (400 over)

April 20, 1977

1. THE GOLAN HEIGHTS: PROTECTING ISRAEL'S VILLAGES AND WATER

The Golan Heights is a mountainous plateau 41 miles long and up to 15 miles wide separating Israel from Syria. It has sharp cliffs which rise some 2,000-3,000 feet above sea level (~~the Heights~~ *on the*) and many of which drop directly into the Galilee, a lush farming area which supplies Israel with _____ of its produce. The Heights are bounded on the north by Mount Hermon, a peak rising to a height of nearly two miles and affording an unlimited view into every area of northern Israel.

PRE-1967. Prior to 1967, the Syrians controlled the Heights and had 260 tanks, 250 heavy artillery pieces, and 10 infantry brigades stationed on it. Soldiers would routinely open fire on Israeli farmers in the valley below who could neither defend themselves nor anticipate attacks. (Imagine walking underneath the Empire State Building with terrorists firing at you from the top.) The Syrians also launched a plan to divert the headwaters of the Jordan River and thereby cut off the water flowing to Lake Kinneret, which supplies Israel with one-third of its water.

POST-1967. In the Six-Day War, the Israelis pushed the Syrians back 15 miles to positions which no longer allowed them to bombard the Israeli villages. Israel also gained positions on Mount Hermon. As a result, the Syrians were prevented from cutting off the narrow neck of eastern Galilee when they launched their surprise attack in October 1973 -- though they were able to thrust some 10 miles into Israel-held territory (most of the width of the Golan Heights). The Syrian forces were halted near the pre-1967 armistice line and thrown back across the Golan, beyond the line of the original Syrian assault. Presently, the Syrians have no clear view into Israel or Israel-controlled territory. Neither Israel nor Syria has an advantage in this area, since both armies are within equal range of the vital areas belonging to the other side.

V. 10 300 (11)

[Handwritten signature]

April 20, 1977

2. THE 'WEST BANK': PROTECTING ISRAEL FROM BEING CUT IN TWO

The Judea-Samaria region - also known as "the West Bank" - is an area of 2,300 square miles, bounded on the west by the 1949-1967 armistice line and on the east by the Jordan River. In hostile hands, this area threatens central Israel - the region containing 80% of Israel's population, its international airport and most of its industry. The threat is two-fold: armed infiltration of sabotage-and-murder gangs - and the bisection of Israel in a full-scale attack.

PRE-1967. Prior to 1967, central Israel was subject to the constant threat of attack and invasion. At its narrowest, the neck of land between Jordan and the sea was only nine miles wide. The distance from the armistice line to Tel Aviv, the largest city in Israel, was a mere 13 miles, - precisely the distance from the northern to the southern tip of Manhattan Island! ^{Israel's only international airport, at Lod, was located less than five miles from the armistice line. In} Jerusalem, the capital, all the Government buildings in West Jerusalem including the Knesset (Parliament) were within gunfire range of Jordanian forces in adjacent East Jerusalem. The time needed for an enemy armored column to reach the sea and cut the country in two was a mere 20 minutes! Before 1967, terrorist bands often struck Israel under the protection of Jordanian gunfire. In 1965, some 110 terrorist strikes were launched. In 1966, there were over 70 attacks, and during the first six months of 1967, there were over 50. Not counting wartime casualties, 1,971 Israelis were killed as a result of these attacks.

POST-1967. Since 1967 the West Bank has been administered by the Israel Government, which has maintained normal life in the area, raising the standard of living, promoting friendly relations between Jews and Arabs, and preserving the integrity of Arab family and cultural life. Terrorist activities directed against Israelis have steadily declined, from a peak of 111 in 1969 to in 1976. Unemployment has also declined, from 9% in 1967 to 1% in 1974, while some 68,000 Arabs have found work in

Israel. In 1971 Israel dropped all travel restrictions between the two areas, and thousands of Arabs now travel freely throughout Israel each year, visiting friends and relatives. Under the Family Reunion Program, more than 45,000 Arabs have returned to the West Bank to rejoin their families. Trade between the East (Jordanian) and West Banks has also improved as Israel has ^{has been opened} opened the bridges over the Jordan River to commercial traffic. In 1975, over 50 million dollars' worth of goods were exported from Gaza and the West Bank to the East, while local Israeli merchants bought some 5.7 million dollars' worth of goods produced in the West Bank and the Gaza Strip.

430 (130 over)

April 20, 1977

3. THE GAZA STRIP: PROTECTING ISRAEL FROM INVASION -- FIVE MINUTES' FLIGHT TIME TO TEL AVIV

The Gaza Strip is a narrow piece of coastal land 40 miles long and five miles wide which runs along the Mediterranean and cuts into the heartland of Israel like a finger. Historically, the Gaza Strip has been the principal route for invasions into Israel from the South. The northern border of the Strip is a mere 40 miles from Tel Aviv and even closer to other industrial and populated centers of Israel, including the port city of Ashdod. Armies and planes based on the Strip can attack the heartland of Israel within minutes and without warning. Since the Strip is located only 21 miles from the West Bank, hostile forces situated in both areas can cut Israel in two in less than 30 minutes.

PRE-1967. Between 1949 and 1967, the Gaza Strip was ruled by an Egyptian military government and became the launching pad for terrorist as well as artillery attacks on nearby Israeli villages.

In 1955 the Egyptian High Command established a terrorist unit of 700 men who received payment for every act of murder and plunder committed. By 1956 the attacks had increased to such frequency that during one week 14 Israelis were murdered and 38 were wounded. These aggressive actions, along with the blockade of the Straits of Tiran, led to the 1956 Sinai Campaign against Egypt. Although the Egyptians were supposed to withdraw their troops after this war, under a mandate from the UN, they proceeded to establish even stronger military forces there and to resume their attacks across the demarcation line. Egyptian battle plans captured in the Six-Day War of 1967 reveal that Egypt had intended, once again, to invade Israel through the Strip.

Egyptian forces stationed at Gaza located within five minutes' flight time to Tel Aviv.

POST-1967. Since 1967, Israel has worked to reduce anti-Israeli feeling among the inhabitants of the Gaza Strip, to eliminate

terrorist attacks and to improve the standard of living. In all of these areas, there have been substantial forward strides. Terrorist attacks have steadily declined, from a peak of 456 in 1969 to only 27 in the first six months of 1972 (1976?). Unemployment, which affected some 43% of the male population before the war, has been totally eliminated, and the value of agricultural output has risen from \$13 million to Refugee families have been rehabilitated: in the last three years, more than 10,000 Arab refugees have moved out of the old, ramshackle refugee camps into new homes provided by the Israeli authorities. Without an active military force in the Gaza Strip, the main centers of Israel are free from the threat of constant terrorist attacks and invasion from the South. Control of the Gaza Strip has proved essential for the safety of central Israel - and, for that matter, for the welfare of Gaza's own inhabitants.

450 (150 over)

April 20, 1977

4. THE SINAI CORNER: PROTECTING ISRAEL'S SOUTHERN PORT

Eilat is Israel's major southern port. It is located on the Gulf of Eilat, an international waterway bounded by the Sinai peninsula on the west and Saudi Arabia on the east and emptying into the Red Sea. All goods going to and from East Africa, the Far East and ports on the Persian Gulf use the port of Eilat. Nearly all of Israel's oil supply comes in through the port of Eilat. Israeli ships carry chemical products, building materials, agricultural equipment, citrus products, electrical products and telecommunication equipment to Africa, Asia and the Far East. From Eilat, goods are transported to the main centers of Israel by truck or plane. ~~By air, the distance is 100 miles.~~ A rail link to Eilat is now under construction.

PRE-1967. Because the southern area of Israel was shaped like a triangle narrowing to a dramatic point at its southernmost tip, Eilat was within walking distance of the Sinai peninsula on the west and the Jordan on the east. Egypt and Jordan were a mere 7 miles apart at this point. Due to its proximity to both Jordan and Sinai, Eilat has always been an extremely vulnerable target for a hostile power wishing to close down the port and prevent oil and other essential goods from reaching Israel. In 1956, with the Straits of Tiran already under Egyptian blockade, Jordan joined the Egyptian-Syria military pact which placed Eilat in an even more precarious position, since it was immediately flanked by two hostile powers that were united in their desire to destroy Israel. Battle plans captured from the Egyptians in 1967 show that Egypt intended to invade the Southern Negev and cut off Eilat at the same time that other Egyptian forces would attack Israel from the Gaza Strip.

POST-1967. Since 1967, Israel has occupied the Sinai peninsula. In order for Egyptian troops to reach Eilat, they must first traverse that desert. Consequently, in the war of 1973, Egypt --

for the first time in a major offensive against Israel -- was not able to block the Straits of Tiran or cut off Eilat. While Israel is prepared to yield land it now occupies in the Sinai peninsula, any delineation of borders that would bring Eilat within firing range of Egyptian guns would create a constant menace to Israel and an open invitation to war.

350 (50 over)

April 20, 1977

5. SHARM EL-SHEIKH: PROTECTING ISRAEL'S LIFELINE TO THE WORLD

Sharm el-Sheikh is a point at the southernmost tip of the Sinai peninsula overlooking the Straits of Tiran, a narrow channel of water which ships must pass through in order to enter the Gulf of Eilat from the Red Sea. There are only two countries for which the Straits of Tiran hold any significance: they are Israel and Jordan, both of which have ports at the northern end of the Gulf - the only ports in the entire Gulf.

PRE-1967. Prior to 1967, the Egyptians controlled the coastal land around Sharm el-Sheikh at the southern tip of the Sinai peninsula and maintained six artillery batteries there in order to prevent ships from traversing the Straits of Tiran. Egypt set up intermittent blockades in this area (in addition to keeping Israel-bound vessels out of the Suez Canal), and in two instances - in 1956 and again in 1967 - the blockades led to major conflicts between Egypt and Israel. (Under international law, a blockade is tantamount to a declaration of war.) Israel's victory over Egypt in 1956 opened the Straits to Israeli ships, and UN troops were stationed along the coast, at Sharm el-Sheikh, after Israel's withdrawal, to prevent further blockades. In 1967 Egypt ordered the UN out of the area and re-imposed the blockade - an act of war that was ^{so} largely responsible for the Six-Day War.

POST-1967. Since 1967, Israel has controlled Sharm el-Sheikh, and the Straits have remained open to ships passing to and from Israel. Just as Israel must retain control of the territory around Eilat in order to safeguard that part of the country and guarantee the free flow of supplies in and out of Israel, Sharm el-Sheikh must be controlled by Israel and linked to it territorially. Egypt ^{should not be allowed to provide another war by closing} ~~should not be allowed to close the Straits of Tiran a third time, nor~~ ^{threatening Israel with economic strangulation. Nor} ~~can Israel be forced to trade under the nose of Egyptian cannon,~~ ^{should} ~~with the constant threat of economic strangulation hanging over it.~~ ^{international navigation be forced at the mercy of wartime traffic through} ~~this international waterway be made to depend on the whim of~~ ^{in Egyptian rule.}